



INTEGRATED REGIONAL WATER MANAGEMENT PROGRAM

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Tracie Billington, Branch Chief
Zaffar Eusuff, Program Manager – Implementation Section
Trevor Joseph, Project Manager – Implementation Section
Financial Assistance Branch
Department of Water Resources
PO Box 942836
Sacramento, CA 94236

Dear Ms. Billington, Mr. Eusuff, and Mr. Joseph:

The Inyo-Mono Regional Water Management Group (RWMG) was pleased to submit 15 projects for consideration under the Proposition 84 IRWM Round 1 Implementation RFP. All of the project proponents, as well as the Inyo-Mono IRWMP Program Staff, worked diligently and exhaustively to prepare and submit the proposal. Because project proponents and Program Staff became very familiar with the Implementation PSP and its requirements, we would like to offer DWR staff feedback on the proposal preparation process. Comments were solicited from all project proponents, and several of them had much of the same feedback. There is also a section specific to feedback on the Bond Management System.

- One of the most frequent comments received by project proponents was that, in general, the project application requirements were onerous. There is a unique situation in the Inyo-Mono IRWM region in that there is a number of small entities (water purveyors, businesses, local governments) that have small water project needs. Many of these entities have few or no paid staff. It was difficult for proponents of small projects to devote the time and resources to meeting all of the same application standards that are required of large water companies.
- The Inyo-Mono RWMG originally considered and internally ranked 25 projects but only submitted 15 with the final Implementation proposal. Several of the 10 project proponents that did not finish their project applications, most notably the three Native American Tribal entities that had submitted projects to the RWMG, commented that they were not able to complete their applications due to lack of resources and/or knowledge. We would recommend somehow simplifying or streamlining the requirements for projects originating from disadvantaged communities, Tribes, and small water purveyors.
- Some commented that the same information was required in several different parts of the application.
- One of the urban water suppliers in the Inyo-Mono IRWM region commented that the preparation of the Attachment 13 materials (AB1420 and Water Meter Compliance information) required a lot of time. This urban water supplier also had difficulty finding a DWR staff person who could answer specific questions about AB1420 compliance requirements.
- Most project proponents and Program Staff suggest setting the deadline for Implementation proposals not so close to the holiday season. Not only did it cut into project proponents' staff holiday vacation plans, but it seemed that it also cut into DWR staff's time and ability to answer questions for project proponents.
- It was extremely helpful to have the economic tables available in Excel format to use as templates for each project.



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- In the economic analysis templates provided by DWR, the discount factors for certain years had been entered incorrectly. The project proponents caught this and corrected it in their individual cost-benefit analyses.
- There was quite a bit of confusion having to do with the economic analysis in general and with using the tables in particular (again, in our largely rural region, not many entities have experience with doing cost/benefit analyses). It was requested that DWR provide more textual guidance for how to fill in the economic analysis tables and which information should be included in which table. This resulted in a lot of phone calls from project proponents and Program Staff to DWR, which in turn resulted in Inyo-Mono participants receiving (and probably interpreting) different answers from DWR.
- It was also suggested that the economic analyses not be categorized (i.e., water quality, water supply, flood) but rather completed as a whole for each project.
- One of the primary sources of confusion relating to the economic analysis tables had to do with the start dates. The Implementation PSP directed project proponents to start their analyses in 2009, but proponents and staff received conflicting phone guidance from DWR on this point (some said to start it in 2010).
- The DWR economic analysis tables showed benefits listed sequentially year after year, vertically down the table. It was suggested that the benefits might be listed across the top of the table horizontally, so that they are listed just once.
- For State Funds column of Tables 7 & 8: specify that this is asking for State grant funding, and that other non-grant State funds can be counted towards match.
- It would be helpful to have a sample (fictional or not) project for project proponents to use as an example of a well-written project proposal.
- We would request more guidance on supporting documentation – how much is too much, too little, etc.? The answer we were provided was to provide the documentation necessary to support the project, but each project proponent interpreted this differently.
- We needed more guidance on how broad the net was for groundwater management/recharge projects.
- There was concern among some of the project proponents that there is a disconnect between the emphasis that DWR places on state-level priorities and resource management strategies, and then the process of awarding Implementation funding to IRWM regions. In other words, we have been told that DWR will not fund individual projects but rather providing some (or no) funding for the overall proposal, and that the IRWM region should decide how to allocate the money among projects based on its own objectives and priorities. So the question is: how does DWR ensure that its objectives are being met without dictating to regions how to spend the money? Our projects were ranked largely according to the regional priorities, objectives, and RMSs.
- One of the counties in the planning region conceived of an idea to apply for a “pool” of funding to support several small water infrastructure-improvement projects throughout the county. The thinking was that each of the projects was so small (e.g., \$5,000-10,000 each) that none warranted (or had available) the resources necessary for developing a full Implementation project proposal. When this idea was posed to DWR staff, the feedback received was that a pool of funding such as this would not be allowed. The concern from the county is that the Prop. 84 funding process effectively limits participation only to groups and projects that have a certain level of resources that many systems in the county do not possess. We would suggest a reconsideration of this policy in for the next round of Implementation grants. From what we understand, a



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model similar to this was used in the San Diego region whereby funding was routed to the Rural Community Assistance Corporation in order to fund several small projects in disadvantaged communities, none of which would be able to stand on their own. It seems this would be one good way of getting at integration.

- Despite this feedback and suggested changes, our project proponents would like to see the Round 2 application process be largely the same so that they do not have to re-learn the process. A caveat to that request would be in regards to smaller water projects and those coming from DACs, Tribes, and small water purveyors (see comments above).

Bond Management System Comments

- Although we entered 15 projects in BMS, we could only see ten of them on the page that listed the projects. This meant that we could only go back in and modify (or make corrections to) the ten that were listed on the page. Program Staff brought this to the attention of DWR staff during the Implementation proposal process.
- In the Attachments tabs, once a document was uploaded, the user had to click on another tab within BMS and then back to that Attachments tab to see if the document uploaded correctly. Again, we believe DWR was aware of this situation, but we would encourage them to fix it for future rounds.
- In general, BMS was fairly slow.
- It was necessary to fill out the entire Applicant Information tab before being able to navigate to other tabs and work on other parts of the application. We did not have all of the information for the Applicant Information tab before we were ready to work on other parts of the application. We put placeholders in just to get through the tab, but we would request that it not be necessary to fully fill out that tab first.
- Because of space limitations and limitations on how many documents we could upload per Attachment, we were not able to upload all of the supporting documentation for each project. Instead, we provided it electronically on CD. Clearer guidance on this topic might be provided in the future.
- BMS asked for in-kind/cash match split in Applicant Information tab but not in Tables 7 and 8 (Attachment 4). Make this consistent.
- Please alphabetize County lists in BMS.
- Please specify in PSP that BMS will be requiring CalWater watersheds (vs. HUCs or some other designation).
- In BMS, remind the user to refer to Bulletin 118 to find the appropriate groundwater basins.
- The wording of Question 3 suggested that the management of an IRWM region will necessarily be handled by the fiscal agent. In our region, this is not the case for Implementation. Please make this question more open and/or general.
- The Benefit Type section of each Project Tab proved quite problematic for both project proponents and Program Staff. Specific issues are listed below:
- Please either alphabetize or number the Benefit Type drop down list.
- Please provide (suggested) measurement units for each Benefit Type in the PDF list of Benefit Types that was made available on the DWR website. Each time a project proponent wanted to quantify a benefit type, Program Staff had to log in to BMS in order to see the (recommended) unit of measurement. It was not until after the Implementation deadline had passed that Program Staff learned that the units provided



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in BMS were only suggested and that project proponents could include their own measurements and units in the description field. That was not stated anywhere in the PSP.

- It was not clear to project proponents that there should only be one primary Benefit Type, one secondary, etc.
- Some project proponents commented that some of the Benefit Types did not seem to be linked to the goals, objectives, and resource management strategies presented in the Proposition 84 Plan Guidelines.
- This is a specific project proponent's comment regarding Benefit Types: "DWR needs to list in the PSP all pages of the on-line BMS application, especially the list of benefits and their quantification units. DWR needs to realize that they are not treatment or distribution system operators, and that the purveyors and all the other entities DWR desires to participate are not Water Supply or Economic analysts. There is a basic disconnect between DWR's personnel and the applicants, whether we be water system operators, biologists, foresters, ranchers, or land use activists. DWR is used to having consultants reply to the proposal application, but they want participation from ranchers to purveyors to biologists. They need to reevaluate their benefits list and re-express them in terms that are relevant to their desired audience. The most frequent benefit for me was 'Other Water Supply Benefits'. How many different units could we have applied to that benefit? Note that I have not seen the list of units embedded within BMS. It appears that many water utility benefits cannot be simply reduced to a value of how much water the project can provide. Nor is reliability expressible solely in terms of how much more water is available, but also in terms of how many times a well will turn on out of how many attempts, as well as other expressions applicable to the particular context or example. DWR needs to attempt to include and understand intangible benefits. How do you quantify the benefit to a town, distribution system, or even the water system operator?"

Again, thank you for the opportunity to participate and comment through the Process Improvement workshops. We hope some of our comments will be helpful.

Most Sincerely,

Holly Alpert
Program Manager

Mark Drew
Program Director
Inyo-Mono IRWMP